



Chair's Summary of Meeting of the Board of Directors

13 April 2020

ADB's Comprehensive Response to the COVID-19 Pandemic

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Asian Development Bank

1. On 13 April 2020, the Board of Directors of the Asian Development Bank (ADB) approved the proposed ADB's Comprehensive Response to the COVID-19 Pandemic.
2. All directors noted the scale of the pandemic and urged ADB to work closely with developing member countries (DMCs) to offer appropriate and rapid assistance. Several directors acknowledged the timely response of ADB's proposal to scale up its financial commitment to the coronavirus disease 2019 (COVID-19) response. One director noted that ADB could have taken more time in developing its proposal to prepare a more coherent approach.
3. Several directors mentioned the importance of strong collaboration with international financial institutions including the International Monetary Fund as well as bilateral development partners and the United Nation's agencies when implementing the assistance package.
4. Several directors emphasized the temporary nature of the special policy variations and highlighted the importance of regular Board of Directors updates on the uptake of the COVID-19 Pandemic Response Option (CPRO) instrument and utilization of other special policy variations.
5. Several directors acknowledged the importance of ensuring CPRO operations benefit the poor and vulnerable groups with emphasis on women and girls. Some directors requested ADB to clarify how its assistance will transition from immediate countercyclical fiscal support to more targeted assistance measures using ADB's existing project, program, and technical assistance modalities.
6. Several directors welcomed the balanced approach, which ADB had adopted in establishing the terms and conditions of CPRO operations. Some directors asked for clarification on resource allocations and pricing of the CPRO instrument, saying that resource allocations were insufficient for larger countries and that additional allocations are needed for concessional assistance countries.
7. Some directors noted the importance of maintaining ADB's capital adequacy in determining the level of support, which can be provided by ADB and that expanded ADB assistance should closely consider the DMCs' debt sustainability and absorptive capacity.
8. Some directors emphasized that when designing CPRO operations, ADB will need to ensure DMCs are committed to using their own resources for COVID-19 response and implementing concrete actions to mitigate its impacts, including on public health systems. One director noted that ADB should clarify that DMCs who have already reached the graduation income threshold and have availability of commercial capital flows on reasonable terms, are ineligible for assistance.
9. One director abstained from the proposal to establish the CPRO instrument due to concerns about its impact on ADB's financial sustainability, and voted no on both the proposed increase in the Faster Approach to Smaller Nonsovereign Transactions framework limit and extension of the pilot period.